



ASX ANNOUNCEMENT

30 July 2021

Fat Prophets Global Contrarian Fund (ASX Code FPC) Estimated Pre-Tax NTA 28th July 2021

The estimated pre-tax NTA per share for the Fat Prophets Global Contrarian Fund as at 28 July 2021 is as follows:

	Amount (\$)
Pre-Tax NTA (as at 28 July 2021)	1.3615
Pre-Tax NTA (as at 30 June 2021)	1.4450
Change in NTA (30 June 2021 to 28 July 2021)	-5.78%

For the period from 30 June to 28 July 2021, the Fund recorded a 5.78% decrease in estimated pre-tax NTA from \$1.4450 to \$1.3615.

Portfolio Changes and Market Outlook

The Fund lost ground in July, which was mainly attributable to falls in Chinese internet names Tencent Holdings, Alibaba, and Powerhouse Energy. There was also some investor profit taking in Beston Global Food Group. While we reduced our exposure across the portfolio in June by around 25%, with the benefit of hindsight we would have sold down more.

Chinese internet companies were sold down sharply across the board this week in HK and China, with the online education sector amongst the hardest hit. We have no exposure to this sector, but still retain Tencent Holdings, Alibaba and to a smaller extent, Tencent Music which were also caught up in the selloff. The selloff this week did appear to have the hallmarks of investor capitulation however, and Thursday produced a decent bounce after the Chinese Government stepped in with some reassurance to banks and investors about the regulator's recent actions. The S&P500 continued to move higher and this also to some extent weighed on the Fund's hedge.

On the positive side, the Funds commodity exposure performed well with BHP, Whitehaven Coal, nickel producer Mincor and Western Areas all up on higher underlying iron ore and nickel spot prices.

Angus Geddes
Chief Investment Officer
Fat Prophets Global Contrarian Fund